

**Utah's Tax Structure**  
**Tax Review Commission**  
**November 9, 2007**  
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**Simplicity**

**TABLE 1**

Income Tax  
Simplicity

	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah (Bracket)	Utah (Single Rate)	Wyoming
Number of lines in Tax form	85	53	58	22	NA	34	36	38 (draft-subject to change)	NA
Number of pages on income tax instructions	22	9	33	4	NA	26	20	NA	NA
Number of additions	20	6	8	20	NA	3	11	8	NA
Number of Subtractions	28	12	21	36	NA	17	13	5	NA
Number of Credits	28	22	7	25	NA	17	20	21	NA
Number of Income Brackets	5	None	8	7	NA	4	6	None	NA
Standard Deduction	Different from Federal	Federal	Federal	Different from federal	NA	Federal	Federal	Federal	NA
Personal Exemptions	Different according to filing status	Federal	Federal	Different from Federal	Na	Federal	75% of Federal	75% Federal	NA

**TABLE 2**  
**Sales/Use Tax Rates and Exemptions**

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
State Rate	5.6%	2.9%	6%	No sales tax	6.5%	5% Gross Receipts Tax	General Sales: 4.75% in 2006, 2007; 4.65% in 2008 Sales tax on unprepared food: 4.75 for 2006; 2.75%, 2007 and 1.75%, 2008	4%
County Rates	Not reported	State Collected Counties (all) range from 0.25%-5.0%		NA	Total rates by counties range from 6.5% to 7.75%, therefore the county rates range from 0-1.75%	Up to 3.75%	County Option 0.25%	Up to 1% for general purposes, 2% for specific purposes, but combined cannot exceed 2%, with voter approval
Local Rates	1.5% to 4%	State collected Cities range from 1%-4.5% Self-collected cities 1.5%-5%	9 Idaho cities	NA	Only Carson City imposes an additional 0.25% rate	Up to 3.5625%	1%	Up to 4% with voter approval
Combined State and Local Rate	County Averages range from 5.85%-6.725%	Complicated: State and Self Collected cities tax differently. No combined rate reported. Possible range from 4.15% to 12.90%	6% except for a few cities	NA	Total rates by counties range from 6.5% to 7.75%	As of July 1, 2007, range from 5.125% to 7.875%	2006: General Sales: 5.75-6%, except for Snowville (7%)	County sales tax ranges from 4% to 6%

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
Food*	Exempt at state level	Food for home consumption exempt at state level, varies locally	Taxed At full rate	NA	Exempt	Food for home consumption deduction	Food taxed at lower rate. Varies locally	Exempt through 6/30/08
Prescription Drugs*	Exempt at state level	Exempt	Exempt	NA	Exempt	Exempt	Exempt	Exempt
Services**	58 services taxed (FTA)	14 services taxed (FTA)	30 services taxed (FTA)	NA	19 services taxed (FTA)	156 services taxed (FTA)	57 services taxed (FTA)	62 services taxed

\*Source: FTA, January 1, 2007

\*\*Source: Federal Tax Administrators' (FTA) 2004 Survey on State Taxation of Services

**TABLE 3****Property Tax**

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
Representative Residential Tax Rate (Tax Burden*)	10.74%	7.93%/	0.955%	54.594%	1.96%	2.63%/	1.298%	6.345
Total Average	5.43%	7.35%	1.025% Actual: 1.205% urban; 0.785% rural	52.68	3.1471% for 2006; 3.1526% for 2007	2.63%	1.22%	6.34%
Residential Assessment ratio	10%	2006: 7.98%; 2007&2008: 7.96%	50% with a maximum exemption of \$75,000 for 2006, \$89,325 for 2007	67.4% for 2006; 66.8% for 2007; 66% for 2008 Assessed value then multiplied by 3.14% for residential property to determine taxable value	35%	33.33%	55%	9.5%
Rate/Revenue Caps	Primary Value: 10% over previous year Primary Taxes: 2% annual growth. Combined primary tax, 1% of cash value	TABOR: requires voter approval of increases in revenue. Limit of revenue growth equal to the lesser of local growth and inflation, 5.5% annual increase.	3% increase over the highest of previous 3 three year's property tax revenue	Residential: Amount of tax capped at 3.65% of assessed value. Annual increase in property tax bill of 3%. All other property: 8% annual increase in assessed value. Local govt. revenue limited to 6% annual increase	Varies by taxing entity. Yield Control Statute limits tax increases approximately to inflation.		Truth in Taxation Law requires disclosure if tax revenue increase	Residential property tax rate cannot exceed 1.2% of assessed value
Tax Relief	Disabled, Widow (er), Disabled Veterans	Seniors, Disabled Veterans, Agricultural Timberland	Circuit Breaker	Elderly, PTAP, EPTAP, Disabled Veterans	Circuit Breaker, veterans, Blind, Surviving spouses	Over 65, Head of Household. Veterans, disability. Totalled \$1,047 million in 2006	Veteran, Blind, Indigent, Circuit Breaker. Total \$17.8 million	Veterans, Homeowners Tax Credit, Deferrals, Low Income Property tax relief programs, Elderly

**\*Representative Rate equals residential taxes/residential taxable value**  
**Average rate = taxes/ taxable value**

**Effective rate = taxes/market value**

## Neutrality and Efficiency

**TABLE 4**

Income Tax  
Neutrality and Efficiency

	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah (Bracket	Utah Single Rate)	Wyoming
Number of additions	20	6	8	20	NA	3	11	8	NA
Number of Subtractions	28	12	21	36	NA	17	12	3	NA
Number of Credits	28	22	7	25	NA	17	20	21	NA
Number of Income Brackets	5	None	8	7	NA	4	6	None	NA
Top Income Bracket (Married Filing Joint)	\$300,001	None	\$47,928	\$14,500	NA	\$24,000	\$11,000	None	NA
Range of Rate: bottom to top bracket	2006: 2.73%-4.79% 2007:2.59%-4.54%	4.63%	1.6%-7.8%	1%-6.9%	NA	1.7%-5.3%	2.3%-6.98%	Implicit in effective rate	NA
Personal Exemptions	According to filing status and number of dependents. Married filing joint, no dependents: \$4,200; at least 1 dependent \$6,300	Federal (implicit) \$3,300	Federal (\$3,300)	\$1,980 Indexed for inflation	NA	Federal \$3,300	75% of Federal	75% of federal (3,300)	NA
Taxable Income/FAGI*	66.77% 2005	68.23% 2004	67.12% 2005	69.39% 2005	NA	62.10% 2005	62.90% 2005	73.10% 2005 data	NA
Taxable Income/Personal Income*	47.32% 2005	48.15% 2004	41.02% 2005	43.98% 2005	NA	37.77% 2005	46.36% 2005	48.29% 2005 data	NA

\*Fill Year Residents

**TABLE 5**

Sales Tax  
Neutrality and Efficiency  
Taxable Sales as a Percent of State GDP

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
Taxable Sales as % of state GDP	46.76% 2006	28.83% 2006	44.13% 2006	NA	41.03% 2006	61.56% 2006	45.83% 2006	52.96% approx. (2007)*

Source: Taxable Sales: Tax Commissions; State GDP: BEA

**TABLE 6**

Property Tax  
Neutrality and Efficiency

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
Primary Residential Coefficient of Dispersion	9.10% residential (2005)	(contacted)	11.74% Improved Urban; 13.01% Rural subdivision (2006)	(contacted)	3.3% Single Family Residential (2007)	(waiting for data)	15% urban (2006) 20% rural (2006)	NA
Residential Taxable Value/Residential Market value	9.95% (2006)	7.96% (2006)	77.40% (2006)	3.11%(2006)	35.00%	31.88% (2006)	55.00%(2006)	9.5%
Total Taxable Value/Total Market Value	12.03% (2006)	13.44% (2006)	NA*	3.45% (2006)	35.00%(2006)	32.54% (2006)	72.45%(2006)	NA*
Tax Relief	Disabled, Widow (er), Disabled Veterans	Seniors, Disabled Veterans, Agricultural Timberland	Circuit Breaker	Elderly, PTAP, EPTAP, Disabled Veterans	Circuit Breaker, veterans, Blind, Surviving spouses	Over 65, Head of Household. Veterans, disability. Totalled \$1,047 million in 2006	Veteran, Blind, Indigent, Circuit Breaker. Total \$17.8 million	Veteran, Homestead Tax Credit, Deferral, Low Property relief program, Elderly

\*NA: not available

## **Stability, Sufficiency and Adequacy**

**TABLE 7**

Income Tax  
Coefficient of Variation  
(Constant 2000 dollars)

	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah Bracket	Utah Single Rate	Wyoming	Average (All systems)**
Income Tax: CV*	12.96%	8.44%	11.26%	11.53%	NA	6.35%	9.57%	9.23%	NA	9.91%
Personal Income: CV	8.64%	3.69%	6.93%	6.29%	NA	7.09%	6.02%	6.02%	NA	6.38%
CV of IT/ CV of PI	1.5	2.29	1.62	1.83	NA	0.90	1.59	1.53	NA	1.60

\*CV: Coefficient of Variation

\*\*Utah counted at two separate systems when data is available for both systems

**TABLE 8**

Income Tax  
Coefficient of Variation of Growth Rates  
(Constant 2000 dollars)

Real Growth Rate of Income Tax Revenue: CV	295.23%	3288.48%	633.35%	185.29%	NA	548.59%	281.07%	229.56%	NA	780.22%
Real Growth Rate Personal Income: CV	59.03%	114.73%	84.37%	53.28%	NA	70.70%	74.37%	74.37%	NA	75.84%
CV of IT/ CV of PI	5.00	28.66	7.51	3.48	NA	7.76	3.78	3.09	NA	8.42

**TABLE 9**

Income Tax  
Elasticity

Long Run Elasticity (Bruce, Fox: 1967-2000) Unadjusted/Adjusted for Rate Changes	1.14/1.55	1.26/1.17	1.57/1.65	1.60/1.60	NA	3.02/3.11	1.48/1.41	NA	NA	1.67/1.74
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**TABLE 10**

Income Tax  
Sufficiency and Adequacy

	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah Bracket	Utah Single Rate	Wyoming	Average
Income Tax as a % of State Personal Income: Average 2000-2006	1.56%	2.28%	2.69%	2.44%	NA	2.03%	2.87%	2.76%	NA	2.38%
Income Tax as % of State Personal Income: CV	8.85%	8.48%	11.52%	6.98%	NA	5.81%	6.53%	5.69%	NA	7.69%
Income Tax as % of State Tax Revenue: Average 2000-2006	26.05%	49.93%	37.52%	36.73%	NA	24.06%	41.03%	40.16%	NA	36.50%
Income Tax as % of State Tax Revenue: CV 2000-2006	6.97%	2.40%	6.56%	2.15%	NA	9.04%	1.87%	1.55%	NA	4.36%
Income Tax as % of State Own Source Revenue: Average (data available)	20.52%	34.58%	31.06%	23.59%	NA	16.06%	26.23%	25.41%	NA	25.35%
Income Tax as % of State Direct Expenditures: Average (Data available)	18.55%	28.97%	23.96%	16.97%	NA	13.05%	21.55%	20.63%	NA	20.53%

CV=Coefficient of Variation

**TABLE 11**

State Sales Tax  
Coefficient of Variation  
(2000 Dollars)

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming	Average
Real Sales Tax Revenue: CV	8.74%	3.77%	12.56%	NA	12.73%	8.58%	5.30%	12.26%	9.13%
Real State GDP: CV	8.57%	5.35%	8.63%	NA	12.98%	10.89%	8.12%	14.40%	9.85%
CV ST/CV GDP	1.02	0.70	1.46	NA	.98	.79	.65	.85	.92

**TABLE 12**

State Sales Tax  
Coefficient of Variation of Average Growth Rates  
(2000 Dollars)

Sales Tax Growth Rate: CV	157.29%	824.55%*	245.65%	NA	226.79%	4818.90%	180.69%	570.24%	1003.44%
GDP Average Growth Rate: CV	53.35%	89.95%	114.04%	NA	62.72%	99.43%	73.54%	48.86%	77.41%
CV of Growth rate of ST/CV of Growth rate of GDP	2.95	9.17	2.15		3.62	48.47	2.46	11.67	12.96

**TABLE 13**

State Sales Tax  
Elasticity

Long Run Elasticity (Bruce, Fox) (1967-2000)	0.744	0.781	0.847	NA	0.781	0.924	0.873	0.720	.81
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**TABLE 14**

State Sales Tax  
Sufficiency and Adequacy  
(Nominal Dollars)

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
State Sales Tax/ State Tax Revenue: Average	47.38%	28.20%	34.98%	NA	50.19%	37.20%	36.61%	37.20%
State Sales Tax/State Tax Revenue: CV	5.25%	16.18%	9.26%	NA	10.08%	6.66%	3.26%	23.68%
State Sales Tax/Own Source Revenue: Average	38.25%	20.76%	30.88%	NA	39.80%	23.75%	23.62%	27.50%
State Sales Tax / State Direct Expenditures: Average	34.40%	17.57%	23.19%	NA	42.66%	19.42%	19.27%	23.54%

**TABLE 15**

Local Sales Tax  
Sufficiency and Adequacy  
(Nominal Dollars)

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
Local Sales Tax/Local Tax Revenue: Average	24.40%	30.74%	.024%	NA	5.72%	38.22%	20.08%	18.14%
Local sales Tax/Own Source Revenue: Average	15.59%	18.46%	.011%	NA	3.08%	22.31%	12.03%	8.70%
Local Sales Tax/ Same Yr Expenditures: Average	7.50%	11.33%	.007%	NA	1.67%	8.85%	5.94%	5.27%

**TABLE 16**

Property Tax  
Sufficiency and Adequacy

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
Property Tax as % of Local Tax Revenue: Average*	66.49%	60.95%	93.69%	96.12%	63.50%	54.42%	68.42%	75.36%
Property Tax as % of Local Own Source Revenue: Average*	42.49%	36.60%	46.45%	55.05%	34.09%	31.77%	41.05%	36.16%
Property Tax as % of Local Direct Expenditures: Average*	20.45%	22.46%	26.46%	31.56%	18.46%	12.60%	20.34%	21.94%
Rate/Revenue Caps	Primary Value: 10% over previous year Primary Taxes: 2% annual growth. Combined primary tax, 1% of cash value	TABOR: requires voter approval of increases in revenue. Limit of revenue growth equal to the lesser of local growth and inflation, 5.5% annual increase.	3% increase over the highest of previous 3 year's property tax revenue	Residential: Amount of tax capped at 3.65% of assessed value. Annual increase in property tax bill of 3%. All other property: 8% annual increase in assessed value. Local gov. revenue limited to 6% annual increase	Varies by taxing entity. Yield Control Statute limits tax increases approximately to inflation.	Residential valuation Increase cap of 3% for 1 year assessment cycle, 6.1% for 2 yr. assessment cycle	Truth in Taxation Law requires disclosure if tax revenue increase	Residential property tax rate cannot exceed 1.2% of assessed value

\*Average of data reported by the U.S. Census (2000,2002,2004,2005)

Public Education Funding

**TABLE 17**

Public Education Finance: Percentage of Elementary-Secondary School Revenue From Federal, State and Local Sources, 2004-05							
State	Total	Actual Federal Revenue	% Federal	Actual State Revenue	% State	Actual Local Revenue	% Local
Arizona	7,480,905	897,553	12%	3,320,196	44%	3,263,156	44%
Colorado	6,861,449	472,246	7%	2,954,915	43%	3,434,288	50%
Idaho	1,795,287	192,039	11%	1,023,550	57%	579,698	32%
Montana	1,285,070	191,687	15%	578,321	45%	515,062	40%
Nevada	3,375,884	251,421	7%	1,996,995	59%	1,127,468	33%
New Mexico	2,982,384	480,888	16%	2,102,670	71%	398,826	13%
Utah	3,177,411	326,400	10%	1,729,443	54%	1,121,568	35%
Wyoming	1,130,411	106,484	9%	585,789	52%	438,138	39%

Source: Census Bureau Publication on Public Education Finance, 2005 data, published in 2007

**TABLE 18**

Public Education Finance: Revenue from Local Sources, Percentage from Property Tax from Total Tax, 2004-05			
State	Total Local Revenue	Property Taxes Actual	% Property Tax From Total
Arizona	3,263,156	2,495,667	76%
Colorado	3,434,288	2,725,104	79%
Idaho	579,698	502,872	87%
Montana	515,062	324,110	63%
Nevada	1,127,468	941,413	83%
New Mexico	398,826	307,113	77%
Utah	1,121,568	947,378	84%
Wyoming	438,138	301,008	69%
Notes:			

Source: Census Bureau Publication on Public Education Finance, 2005 data, published in 2007

**TABLE 19**

<b>Public Education Finance: Per Pupil Amounts for Current Spending of Public Elementary-Secondary School Systems, 2004-05</b>	
<b>State</b>	<b>Total</b>
Arizona	6,261
Colorado	7,730
Idaho	6,283
Montana	8,058
Nevada	6,722
New Mexico	7,580
Utah	5,257
Wyoming	10,255

Source: Census Bureau Publication on Public Education Finance, 2005 data, published in 2007

**TABLE 20**

State Tax Revenue  
Sufficiency and Adequacy

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah Bracket	Utah Single Rate	Wyoming
State Tax Revenue as % of State Own Source Revenue: Average	79.82%	69.35%	84.92%	63.82%	82.34%	64.19%	64.01%	63.62%	69.56%
State Tax Revenue as % of State Direct Expenditures: Average	71.91%	58.01%	64.73%	45.91%	88.67%	52.31%	52.57%	51.65%	59.84%
State Own Source Revenue as % of State Direct Expenditures: Average	90.09%	83.45%	79.06%	71.95%	107.54%	81.44%	81.98%	81.06%	86.00%

**TABLE 21**

Local Tax Revenue  
Sufficiency and Adequacy

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
Local Tax Revenue as % of Local Own Source Revenue: Average	63.88%	60.04%	49.58%	57.32%	53.72%	61.42%	60.00%	47.97%
Local Tax Revenue as % of Local Direct Expenditures: Average	30.76%	36.86%	28.24%	32.43%	29.08%	24.28%	29.72%	29.10%
Local Own Source Revenue as % of Local Direct Expenditures: Average	48.16%	61.38%	56.97%	56.58%	54.15%	39.53%	49.53%	60.59%

**TABLE 22**

Combined State and Local Tax Revenue  
Sufficiency and Adequacy

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah Bracket	Utah Single Rate	Wyoming
Combined Tax Revenue as % of Combined Own Source Revenue: Average	72.50%	64.40%	69.36%	61.53%	68.38%	62.66%	62.57%	62.31%	59.92%
Combined Tax Revenue as % of Combined Direct Expenditures: Average	46.62%	45.13%	46.77%	40.63%	49.62%	39.75%	41.44%	40.97%	43.42%
Combined Own Source Revenue as % of Combined Direct Expenditures: Average	64.31%	70.00%	68.19%	66.05%	72.54%	63.44%	66.20%	65.72%	72.41%

**Competitiveness**



**TABLE 23**

Income Tax  
Competitiveness

	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah Bracket	Utah Single Rate	Wyoming
Top Rate	4.79% in 2006; 4.54% in 2007	4.63%	7.8%	6.9%	NA	5.3% in 2006; 4.9% in 2008	Either 5.35% flat or 6.98 bracket	5% in 2008	NA
Top Bracket (Married filing Joint)	\$300,001	None	\$47,928	\$14,500	NA	\$24,000	\$11,000	None	NA
Income Tax Per Capita 2006	\$527.59	\$895.98	\$833.68	\$813.98	NA	\$575.03	\$893.11	\$867.12	NA
Taxable Income/FAGI	66.77% 2005	68.23% 2004	67.12% 2005	69.39% 2005	NA	62.10% 2005	62.90% 2005	73.10% 2005 data	NA

**TABLE 24**

State and Combined Sales Tax  
Competitiveness

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
State Rate	5.6%	2.9%	6%	No sales tax	6.5%	5% Gross Receipts Tax	General Sales: 4.75% in 2006, 2007; 4.65% in 2008 Sales tax on unprepared food: 4.75 for 2006; 2.75%, 2007 and 1.75%, 2008	4%
Actual Combined State and Local Rate	County Averages range from 5.85%-6.725%	Complicated: State and Self Collected cities tax differently. No combined rate reported. Possible range from 4.15% to 12.90%	6% except for a few cities		Total rates by counties range from 6.5% to 7.75%	As of July 1, 2007, range from 5.125% to 7.875%	2006: General Sales: 5.75-6% (including Snowville, range is 5.75% to 7%, combined rate includes other taxes ranges from 5.75% to 8.35%	County sales tax ranges from 4% to 6%
Population Weighted Average Combined Rate	Population weighted averages, April 16, 2007: Retail 7.796% Restaurant 7.938% Lodging 10.049% Utilities 8.095%	6.7% as of July 9, 2007	6.006% as of July 9, 2007		7.564% as of Oct. 1, 2006	6.713% as of Dec. 31, 2007	5.81%	5.386% as of Dec. 31, 2007
Per Capita	\$841.63	\$442.85	\$735.47		\$1,267.80	\$891.06	\$741.47	\$1,213.44

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
State Sales Tax (2006)								
Per Capita Combined Sales Tax (2005)	\$1,180.29	\$941.60	\$789.50		\$995.84	\$1,119.08	\$876.12	\$1,340.91

**TABLE 25**

Property Tax  
Competitiveness

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
Residential Assessment ratio	10%	2006: 7.98%; 2007&2008: 7.96%	50% with a maximum exemption of \$75,000 for 2006, \$89,325 for 2007	67.4% for 2006; 66.8% for 2007; 66% for 2008 Assessed value then multiplied by 3.14% for residential property to determine taxable value	35%	33.33%	55%	9.5%
Residential Taxable Value/Residential Market value	9.95% (2006)	7.96% (2006)	77.40% (2006)	3.11%(2006)	35.00%	31.88% (2006)	55.00%(2006)	9.5%(2006)
Residential Representative Property Tax Rate (residential property tax charged/residential assessed value)	10.74%	7.93%	0.955%	54.59%	1.96%	2.63%	1.298%	6.35%
Tax for \$100,000 of Market Value*	\$1,074	\$632.81	\$477.50	\$1,155.32	\$686.0	\$876.58	\$713.90	\$603.25

\*\$100,000 X assessment ratio X representative rate

**Balance**

**TABLE 26**

Income and State Sales Tax Revenue  
2006

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah (bracket)	Utah (Single Rate)	Wyoming
Income Tax/State Tax Revenue	27.77%	49.97%	38.90%	36.16%	0.00%	21.99%	41.72%	41.00%	0.00%
State Sales Tax/State Tax Revenue	44.31%	24.70%	34.32%	0.00%	51.42 <sup>c</sup> %	34.08%	34.64 <sup>c</sup> %	35.06 <sup>c</sup> %	29.45%

**TABLE 27**

Property and Local Sales Tax Revenue  
2005

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
Local Sales Tax/Local Tax Revenue	23.33%	31.36%	0.00%	0.00 <sup>c</sup> %	5.69 <sup>c</sup> %	40.35%	22.07%	17.60%
Property Tax/Local Tax Revenue	68.97%	59.92%	94.56%	95.57%	63.80%	55.38%	68.79%	76.04%

**TABLE 28**

Income, State and Local Sales, Property Tax Revenue  
2005

State	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah (Bracket)	Utah (Single Rate)	Wyoming
Income Tax*	15.54%	24.05%	24.88%	26.20%	0.00%	17.89%	26.38%	25.43%	0.00%
Total Sales Tax*	38.3%	28.00%	26.98%	0.00%	26.56%	35.51%	29.87%	30.26%	25.53%
Property Tax*	27.96%	31.51%	27.59%	36.63%	25.66%	14.22%	24.54%	24.86%	33.34%

\*Percent Of Total State and Local Revenue

## Tax Incidence Study

**TABLE 29**

<b>Income Tax Calculation: Utah Graduated Bracket System, 2008</b>	
<b>Married Filing Jointly Taxpayer, Two Dependents, Median Income</b>	
Federal Adjusted Gross Income (AGI)	\$54,000
Utah Total Adjusted Income	\$53,587
(Federal AGI times 99.2354%, based on aggregate tax return data)	
Minus: Itemized Deduction	(\$17,050)
Personal Exemption (\$2,625 times 4)	(\$10,500)
One Half of Federal Income Tax	(\$575)
Utah State Taxable Income	\$25,462
(Federal AGI minus the three items above)	
State Income Taxes Due	<b>\$1,489</b>
(For income bracket "over \$11,000")	
This tax scenario is based on Utah's 2006 state income tax policy, except that 2008 values of the standard deduction and personal exemption are used for comparability to other calculations in this study.	

**TABLE 30**

<b>Income Tax Calculation: Utah Single Rate System, 2008</b>	
<b>Married Filing Jointly Taxpayer, Two Dependents, Median Income</b>	
Federal Adjusted Gross Income (AGI)	\$54,000
Utah State Taxable Income	\$53,723
(Federal AGI times 99.4875%, based on aggregate tax return data)	
5% Flat Tax Before Credits	\$2,686
Itemized Deduction	\$17,050
Personal Exemption (\$2,625 times 4)	\$10,500
Initial Credit (6% of Deduction plus Exemption)	\$1,653
Credit Phaseout Beginning Point	\$24,000
Income in Phaseout Range (Taxable Income minus Beginning Point)	\$29,723
Credit Phaseout Reduction (1.3% of income in Phaseout Range)	\$386
Credit with Phaseout Reduction (Initial Credit minus Reduction)	\$1,267
State Income Taxes Due (Flat Tax minus Credit)	<b>\$1,420</b>
This tax scenario is based on Utah's post-reform single rate state income tax policy. Numbers do not add up exactly due to rounding to the nearest dollar in this presentation.	

**TABLE 31**  
Effective Tax Rates from Tax Incidence Study  
Income Tax  
All Representative Households

Income	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah Bracket	Utah Single Rate	Wyoming
\$16,000	0.7%	0.9%	0.7%	1.1%	0.0%	-0.2%	1.1%	1.2%	0.0%
\$26,000	1.5%	1.6%	1.6%	2.2%	0.0%	0.6%	2.0%	1.7%	0.0%
\$35,000	1.7%	2.1%	2.3%	3.0%	0.0%	1.0%	2.9%	2.7%	0.0%
\$44,000	1.6%	2.2%	2.4%	2.7%	0.0%	1.0%	3.0%	2.8%	0.0%
\$54,000	1.7%	2.3%	2.8%	3.0%	0.0%	1.3%	3.3%	3.2%	0.0%
\$64,000	1.7%	2.5%	3.0%	3.1%	0.0%	1.4%	3.5%	3.4%	0.0%
\$77,000	1.8%	2.7%	3.4%	3.6%	0.0%	1.8%	3.8%	3.7%	0.0%
\$96,000	2.0%	2.9%	3.9%	4.0%	0.0%	2.3%	4.1%	4.0%	0.0%
\$126,000	2.2%	3.1%	4.4%	4.4%	0.0%	2.7%	4.3%	4.3%	0.0%
\$157,000	2.4%	3.2%	4.7%	4.6%	0.0%	2.9%	4.5%	4.5%	0.0%
\$212,000	2.7%	3.4%	5.1%	4.9%	0.0%	3.2%	4.7%	4.8%	0.0%

*Note: Nevada and Wyoming have no income tax.*

**TABLE 32**  
Effective Tax Rates from Tax Incidence Study  
Sales Tax  
All Representative Households

Income	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
\$16,000	4.4%	2.7%	3.2%	0.0%	2.8%	3.7%	3.5%	2.8%
\$26,000	3.7%	2.5%	2.7%	0.0%	2.6%	2.8%	3.0%	2.4%
\$35,000	3.3%	2.2%	2.3%	0.0%	2.3%	2.5%	2.6%	2.1%
\$44,000	3.0%	2.0%	2.2%	0.0%	2.1%	2.3%	2.4%	1.9%
\$54,000	2.8%	2.0%	2.1%	0.0%	2.1%	2.1%	2.3%	1.8%
\$64,000	2.7%	1.9%	2.0%	0.0%	2.0%	2.0%	2.2%	1.7%
\$77,000	2.5%	1.8%	1.9%	0.0%	1.9%	1.9%	2.1%	1.6%
\$96,000	2.4%	1.6%	1.7%	0.0%	1.7%	1.8%	1.9%	1.5%
\$126,000	2.3%	1.6%	1.7%	0.0%	1.7%	1.7%	1.8%	1.5%
\$157,000	2.1%	1.5%	1.5%	0.0%	1.6%	1.6%	1.7%	1.3%
\$212,000	1.8%	1.3%	1.3%	0.0%	1.4%	1.4%	1.4%	1.1%

*Note: Montana has no sales tax.*

**TABLE 33**  
Effective Tax Rates from Tax Incidence Study  
Property Tax  
All Representative Households

Income	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah	Wyoming
\$16,000	5.8%	3.4%	2.6%	5.8%	3.7%	4.5%	3.8%	3.2%
\$26,000	6.9%	4.1%	3.1%	7.0%	4.4%	5.5%	4.6%	3.9%
\$35,000	5.8%	3.4%	2.6%	5.9%	3.7%	4.6%	3.9%	3.3%
\$44,000	5.0%	2.9%	2.3%	5.1%	3.2%	4.0%	3.3%	2.8%
\$54,000	4.4%	2.6%	2.2%	4.5%	2.8%	3.5%	3.0%	2.5%
\$64,000	4.0%	2.4%	2.1%	4.1%	2.6%	3.2%	2.7%	2.3%
\$77,000	3.7%	2.2%	2.0%	3.7%	2.4%	2.9%	2.5%	2.1%
\$96,000	3.4%	2.0%	2.0%	3.4%	2.2%	2.7%	2.2%	1.9%
\$126,000	3.1%	1.8%	2.0%	3.2%	2.0%	2.5%	2.1%	1.8%
\$157,000	2.9%	1.7%	1.9%	2.9%	1.8%	2.3%	1.9%	1.6%
\$212,000	2.7%	1.6%	1.9%	2.7%	1.7%	2.1%	1.8%	1.5%

**TABLE 34**  
Effective Tax Rates from Tax Incidence Study  
Total of Income, Sales, and Property Tax  
All Representative Households

Income	Arizona	Colorado	Idaho	Montana	Nevada	New Mexico	Utah Bracket	Utah Single Rate	Wyoming
\$16,000	10.8%	7.1%	6.4%	7.0%	6.5%	8.0%	8.5%	8.5%	6.0%
\$26,000	12.1%	8.1%	7.4%	9.2%	7.0%	8.9%	9.7%	9.4%	6.3%
\$35,000	10.8%	7.7%	7.2%	8.9%	6.0%	8.1%	9.4%	9.2%	5.4%
\$44,000	9.6%	7.2%	6.8%	7.8%	5.3%	7.3%	8.7%	8.6%	4.7%
\$54,000	8.9%	6.9%	7.0%	7.5%	4.9%	6.9%	8.5%	8.4%	4.3%
\$64,000	8.5%	6.7%	7.1%	7.2%	4.6%	6.6%	8.4%	8.3%	4.0%
\$77,000	8.1%	6.6%	7.3%	7.3%	4.3%	6.7%	8.3%	8.2%	3.7%
\$96,000	7.8%	6.5%	7.6%	7.4%	3.9%	6.8%	8.2%	8.2%	3.4%
\$126,000	7.6%	6.5%	8.1%	7.5%	3.7%	6.9%	8.2%	8.2%	3.2%
\$157,000	7.4%	6.4%	8.2%	7.5%	3.4%	6.8%	8.1%	8.1%	3.0%
\$212,000	7.2%	6.2%	8.3%	7.6%	3.1%	6.7%	7.9%	7.9%	2.6%

*Note: Some amounts in Table 34 do not add exactly from Table 31-33 amounts due to rounding.*